FOREIGN CROPS AND MARKETS.

ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS.
UNITED STATES DEPARTMENT OF AGRICULTURE. WASHINGTON, D.C.

VOLUME 9. NOVEMBER 12, 1924. NO. 20.

Feature of Issue: RUSSIA.

CROP PROSPECTS.

SMALL GRAINS

Russian grain production in 1924 excluding Trans-Caucasus, Turkestan and the Far Eastern Region is estimated at 46 million short tons, according to an unofficial report received by the United States Department of Agriculture quoting information from Economic Life of October 26. This estimate corresponds very closely with the estimate on page 490 given for an earlier date. No separate estimates of the production of wheat and rye are available. According to most reports, however, the yield is much less than last year particularly in the case of wheat. The area of wheat in 1924, according to an unofficial report is 43 million acres compared with 35 million acres last year. The rye area is given as 68 million acres against 66 million acres in 1923.

The wheat crop of England and Wales is now placed at 50 million bushels instead of 51 million bushels as reported on October 1. The production in 1923 was 57 million bushels. The barley crop is placed at 45 million bushels compared with 47 million bushels reported on October 1 and 45 million bushels the estimate for last year. The oats crop is estimated at 106 million compared with the October estimate of 99 million bushels and the 1923 estimate of 95 million bushels.

Preliminary estimates place the Mexican wheat crop at 13,962,000 bushels compared with 13,657,000 bushels for 1923, according to the Mexican Weekly News Bulletin of October 22, quoting information supplied by the Mexican Ministry of Agriculture.

Conditions in the Southern Hemisphere are unchanged except for a recent cable reporting some drought and locust damage to early crops in Argentina. Conditions in Australia continue favorable. The wheat crop of the Union of South Africa is reported to be 10 per cent below last year.

CROP PROSPECTS, Cont'd.

WINTER SEEDLINGS

Soil conditions in Canada are favorable.

Rains in Italy have improved conditions for plowing and seeding. Cultivation of fallow lands in Sweden has been interrupted by rains and fall sowing is retarded by lack of seed.

Favorable conditions are reported in India and North Africa.

CORN

The 1924 corn crop of Mexico is estimated at 106,293,000 bushels compared with 101,320,000 bushels produced in 1923, according to the Mexican Weekly News Bulletin quoting information supplied by the Mexican Ministry of Agriculture. Recent reports from consular districts indicate poor harvests in some regions.

Estimates of corn production received to date from 6 countries of Europe give an aggregate of 313 million bushels compared with 257 million bushels produced by the same countries last year and 310 million bushels the estimated average for the same territory in 1909-13. No estimate is available for production in Rumania but private reports indicate a crop as large as last year when the production amounted to 160,468,000 bushels.

The Argentine corn crop has been favored with warmer weather but more moisture is needed. The total rainfall for the seven weeks preceding November 3 in the corn producing districts has been but little more than an inch, or about 22 per cent of normal. There has been only one week of normal rainfall in about three months.

POTATOES

A cablegram received from the Agricultural Commissioner in Berlin giving an estimate of the German potato crop brings the total of 13 countries of Europe reported to date up to 2,798 million bushels compared with 2,545 million produced by the same countries last year and 2,737 million bushels the estimated average production for the same territory in 1909-13. This increase of about 253 million bushels in the potato crop of these countries will be an important factor in supplementing the shortage of the bread grain harvests.

German potato production in 1924 is given as 1,336 million bushels compared with 1,117 million bushels the final estimate for 1923 and 1,374 million bushels the average production estimated for the same territory in 1909-13.

Mexican potato production is placed at 1,029 million bushels compared with 962 million bushels harvested in 1923.

CROP PROSPECTS, Cont'd.

COTTON

The United States crop is estimated at 12,816,000 bales according to the November 8 forecast, or an increase of 141,000 bales over the previous forecast.

An Associated Press report just received from Cairo places this year's cotton crop in Egypt at 1,322,000 bales of 478 pounds. This is larger than the preliminary Government estimate of 1,232,000 bales on September 26, but is smaller than most commercial estimates which ranged from 1,230,000 to 1,450,000 bales and over. Receipts at Alexandria from August 1 to November 5 amount to 544,000 bales of 478 pounds as compared to 454,000 bales during the same period last year, according to the Commercial and Financial Chronicle. Shipments during the same period amounted to 323,000 bales this year as compared to 299,000 bales last. Stocks on November 7 were 314,000 bales against 384,000 bales a year ago.

The rains in India, previously reported in Foreign Crops and Markets, are said not to have caused serious damage to the crop.

Russian cotton production this year is estimated at 867,000 bales by "Turkchlopok", the cotton organization of Turkestan. There is no comparable figure available on production last year. An unofficial estimate gives last year's crop as 321,000 bales.

In South Africa an increased cotton area is expected for the coming season.

FLAX

Unofficial reports from Soviet Russia and the Baltic republics state that the flax crop is good this year. It is estimated that surplus flax for export after filling domestic requirements will be about 50,000 to 60,000 tons (kind of ton not stated, but probably metric).

The condition of the flax crop in Lithuania is slightly better than medium, according to a consular report recently received from Kovno. A slight decrease in acreage is noted, the area sown in 1924 being given as 127,259 acres, compared with 128,741 acres in 1923. The Memel district is reported to be above average.

SUGAR BEETS

Estimates of sugar beet production received by the United States Department of Agriculture for 9 European countries amount to 31,504,000 short tons as compared with 26,304,000 short tons produced by the same countries last year or an increase of 19.8 per cent. These countries produced 70.8 per cent of the total European sugarbeet crop in 1923.

A cablegram just received from the Agricultural Commissioner in Berlin states that the German sugarbeet crop is estimated at 10,919,000 short tons or an increase of 14 per cent over last year when the total crop harvested amounted to 9,586,000 short tons. It is estimated that in 1912-13, 14,679,000 short tons of sugar beets were produced in the territory included within the present boundaries. Production accordingly is still about 25 per cent below pre-war level.

MARKET PROSPECTS

France Still Buying Prunes

French prunes still rule higher than California prunes in French markets. Orders for California prunes now amount to 9,900 short tons, according to the American Assistant Trade Commissioner at Paris. Trade and production statistics indicate a usual national consumption of about 25,000 tons, at least 15,000 of which would come from the United States this year unless consumption is curtailed.

German Prune Requirements

Hamburg dealers expect to buy at least 25,000 short tons of California prunes this season. More will be bought if satisfactory credits can be arranged, according to the American Commercial Attache at Berlin.

Increasing German Use of Danish Butter

German demand for Danish butter is cutting heavily into the supplies available for Great Britain. During the first week in October, about one-third of the total Danish butter export went to Germany, says the American Consul at Copenhagen. This movement is supporting the international butter market in no small way.

Mexican Beef for the United States

The American Consul at Nogales, Sonora, reports a ten-fold increase in cattle shipments to the United States for the quarter ending September, 1924, over the corresponding quarter of 1923. In that period 68,930 pounds of beef on the hoof passed into the United States against 722,490 pounds for the 1924 period.

Mexico Wants More Corn

The American Consul at Vera Cruz, Mexico, reports increasing inquiries for United States corn, owing to crop failures in that part of Mexico.

British Market for Citrus Fruit

The London market expects plentiful supplies of oranges from all sources this season, according to advices from the American Agricultural Commissioner at London. The first Spanish oranges of the season arrived on October 24 simultaneously with consignments from Jaffa, Jamaica, and Tripoli. Supplies from Australia, South Africa, and California were in the market at the time.

Longer Hours in British Cotton Mills

Spinners of American cotton in Manchester have extended the working hours from 26 1/4 hours to 32 hours per week. The increased output appears to be in compliance with demands from yarn manufacturers for the increased output of their raw material.

WORLD LIVESTOCK AND MEAT NEWS

The livestock census taken in Denmark on July 15, 1924, shows that the number of cattle has increased by 6 per cent since last year, while sheep, goats and horses all show decreases. Figures for the number of swine as of the same date, which were published on page 327 of Foreign Crops and Markets, Vol. 9, No. 14, indicate that the number increased by only 0.2 per cent over 1923. All classes of livestock except swine show decreases when compared with prewar figures. Detailed statistics on the Danish livestock situation will be found on page 506.

Hog slaughterings in export slaughter houses in Denmark during the first eight months of 1924 totaled 2,679,000 compared with 2,190,000 during the same period of 1923. Average slaughterings during the corresponding period of the five years 1911-14 amounted to 1,631,000.

The production of meat in Germany during 1923 was only about 45 per cent of the 1913 production, according to figures on commercial slaughterings. If the 1923 imports of livestock and of annual fats are added to the commercial slaughterings, the total production is increased to 50 per cent of the pre-war production. The 1923 production of meat in Germany, according to the official publication of the Berlin meat trade, averaged 51.8 pounds per capita against 109.1 pounds in 1913.

Stocks of pork in cold storage in Canada on October 1, 1924, amounted to 32,137,000 pounds compared with 22,038,000 for the same date last year, an increase of 46 per cent. Frozen pork showed the largest increase, stocks of which amounted to 10,027,000 pounds, or an increase of 108 per cent. Beef stocks totaled 14,604,000 pounds against 9,967,000 last year, frozen beef showing the largest increase. Mutton stocks increased from 878,000 pounds to 1,155,000.

The number of animals slaughtered for exportation and domestic consumption in certain meat works of Argentina from January to July 31,1924, compared with the same period of 1923, in parenthesis, was as follows: Cattle 2,885,000 (2,073,000); sheep 2,884,000 (2,912,000); swine 67,004 (93,000). Slaughterings for the entire year 1923 were as follows: Cattle 3,338,000; sheep 4,436,000; swine 140,000.

British farmers are being urged by agricultural leaders to take advantage of the autumn livestock sales to increase their sheep flocks by buying all the sheep their land can carry. It is being pointed out that the number of sheep in Australia has decreased by 20 million head since 1911 with exports of wool from Australia undergoing a corresponding decline. It is believed that there is room for at least 4,000,000 more sheep in Great Britain.

SUMMARIES OF CABLES AND LEADING ARTICLES IN ISSUE

Butter Prices Lower in London - Higher in New York

The London butter market on November 6, as reported by cable, was slow, with prices lower on practically all grades. In New York the tendency was slightly upward to 41 cents for 92 score butter. The Copenhagen official quotation on Danish butter on the same date was equivalent to 43 cents per lb. or 2-3/4 cents lower than the preceding week. Danish butter in London was lower by fully as much. British markets will soon receive colonial supplies of the new season's surplus. There is now afloat nearly as much butter from Australia as from New Zealand, a fact which indicates the recovery in Australia from the severe drought of recent seasons. Detailed prices are given on page 504.

German Pork Prices Apparently Past High Point.

An indication that rising prices of pork products may have reached their peak in German markets is given by a decline in the price of lard during the week ending November 5, apparently in sympathy with the decline in hog prices reported previously. The weekly cable to the Department from the Agricultural Commissioner in Berlin gives the price of lard at Hamburg as $18.42 against $19.23 last week. Hog prices were unchanged and receipts were steady. Detailed figures are given on page 504.

Cabled prices of American apples in British markets are given on page 505.

- - - - - - - -

Receipts of sugar in Continental United States were larger during the 10 months ending September 30, 1924, than for the same period last year. Supplies are adequate with prices slightly below those of a year ago.

The Russian Government is working on plans to provide agriculture with machinery and tractors as well as working capital. To attain this end, efforts are being made to export increasing quantities of eggs, butter, cereals and timber products, petroleum, and coal. Extensive improvements are now being made in port facilities and rolling stock to facilitate the handling of increased exports.

It is reported that there will be no grain available for export from Russia before the end of January, and only then if internal economic conditions warrant it. Many believe that the surplus, if any, available for export, will not be known till spring. High internal prices have prevented exports so far this season.

The cooperative movement in Russia is again beginning to revive in spite of the difficulties confronting Russian agriculture as a whole. The total number of cooperatives is greater than before the revolution, but peasant agriculture represents only 10 per cent. Two thirds of all the peasant farms in Russia were members of cooperative organizations before the revolution. The selling cooperatives which are connected with the manufacture of goods from farm products are showing the strongest development.

GRAINS: EXPORTS FROM THE UNITED STATES, JULY 1-NOVEMBER 8.1923, 1924
PORK : EXPORTS FROM THE UNITED STATES, JANUARY 1-NOVEMBER 1, 1924.

Commodity.	July 1-Nov. 10, 1923	July 1-Nov. 8, 1924	Week ending Oct. 18, 1924	Oct. 25, 1924	Nov. 1, 1924	Nov. 8, 1924
Grains:	1,000 Bushels	1,000 Bushels	1,000 Bushels	1,000 Bushels	1,000 Bushels	1,000 Bushels
Wheat	47,392	104,455	a/ 8,632	a/ 11,248	a/ 5,370	a/ 9,132
Wheat flour	b/ 1,568	b/ 3,201	---	---	---	---
Rye	8,173	27,043	3,073	1,400	796	729
Corn	3,575	2,477	111	147	86	70
Oats	755	3,932	625	626	254	636
Barley	6,927	14,011	1,343	2,306	390	2,693
		Jan. 1-Nov. 1, 1924				
Pork:	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds
Hams & shoulders, inc. Wiltshire sides		276,497	2,124	3,436	2,686	
Bacon, including Cumberland sides		292,648	7,285	5,221	8,114	
Lard		828,354	15,534	13,766	13,728	
Pickled pork		25,505	514	961	667	

Compiled from official reports of the Bureau of Foreign and Domestic Commerce.
a/ Including wheat flour via Pacific ports.
b/ July 1-Sept. 30, Not reported weekly from Atlantic Coast ports.

SITUATION IN THE FRENCH AND GERMAN PRUNE MARKETS

California prunes continue to undersell the Bordeaux product in Paris and elsewhere in France, according to David S. Green, Assistant Trade Commissioner at Paris. Prices on French prunes have not fallen far enough below earlier quotations to interest the French trade. Brokers are reported as having contracted for 9,900 short tons of California prunes. Resales are expected, however, if French growers bring their prices down to the California level.

Smaller sizes are moving more rapidly than the larger. Brokers fear that an accumulation of large prunes may result from the grower's practice of insisting that a certain percentage of each order call for large sizes. The result is that prices on certain smaller sizes have risen, with a corresponding reduction in quotations on larger fruit. Following are comparative prices as of September 19 and October 24, 1924, in Paris:

SITUATION IN THE FRENCH AND GERMAN PRUNE MARKETS, Cont'd.

French Prunes f.o.b. Bordeaux Per 220 lbs.			California Prunes c.i.f. Paris Per 220 lbs.		
Size	Price September 19, 1924.	Price October 24, 1924.	Size	Price September 19, 1924.	Price October 24, 1924.
40/45	$42.64	$38.46	30/40	$32.50	$29.25
45/50	37.84	34.62	40/50	25.20	23.10
50/55	33.04	30.76	50/60	18.80	17.50
60/65	28.25	27.18	60/70	16.00	16.10
70/75	25.05	24.36	70/80	15.50	15.00
80/85	22.38	22.05	80/90	14.24	14.72
90/95	19.19	20.51	90/100	13.70	13.62
100/110	15.99	18.46			
110/120	14.92	14.36			

French imports and exports for the past four seasons are shown below. The export figures include reexports, and the imports cover total imports.

Season Sept. 1 - Aug. 31	Imports	Exports	Net
	Short tons	Short tons	Short tons
1920-21	2,323	8,562	- 6,239
1921-22	16,204	1,778	+ 14,426
1922-23	24,979	2,947	+ 22,032
1923-24	3,759	13,209	- 9,450
1924-25 a	9,900		

a Estimated

Assistant Trade Commissioner Green states that the contracts to date for some 10,000 tons of California prunes are equivalent to the total annual French consumption. Analysis of the above trade figures and allowance for the French crop each year, which has been estimated at 8,500 tons this year, 35,000 tons in 1923, 10,000 in 1922, and about 25,000 tons in 1922, indicates that consumption is probably nearer 25,000 tons annually. If this is the case, French imports are likely to be considerably increased, although high prices may curtail consumption.

With Yugoslavian prunes reported as a negligible factor in this season's trade and the French crop short, the situation is most favorable for California growers. As long as domestic French prices continue high, that country will take California prunes which, in the event of lower prices for the domestic product, can always be reexported to other European countries at a profit. French producers appear determined to hold out for the highest price they can get, but danger of Government regulation of exports as part

SITUATION IN THE FRENCH AND GERMAN PRUNE MARKET, Cont'd.

of the State's fight against the high cost of living is imminent. Such measures were taken during certain months last year, and may be invoked again. With local needs being met by importations of California prunes, inability to export would cause considerable loss to many French growers.

Recent advices from C. E. Herring, American Commercial Attache at Berlin, indicate that Hamburg dealers expect to import at least 25,000 short tons of prunes from American for the year ending June 30, 1925. That amount would be more than double the quantity taken from the United States during the preceding twelve months, as shown below:

GERMAN IMPORTS OF DRIED PRUNES

Year ending June 30	Total	From United States
	Short tons	Short tons
1912-13	33,091	26,273
1922-23	12,972	688
1923-24	40,249	12,149

Germany was the largest single purchaser of American prunes in 1913, securing some 78 per cent of her requirements in this country. This season, owing to shortage in Yugoslavia and French producing areas, the percentage of the total coming from the United States should be considerably greater than in 1913. Throwing the burden of supply upon American growers makes the supply of prunes in Germany more dependent than usual upon the arrangement of credits in America. The American Commercial Attache in Berlin has expressed the opinion that the stabilizing effects of the Dawes Plan should render feasible the granting of 60 to 90 day credits against first-class German bank guarantees. At present, practically all American shipments are covered by sight drafts which arrive by mail about 20 days after the goods are shipped. The consignments, however, moving via the Panama Canal, take from 50 to 55 days to reach Hamburg.

There is no appreciable production of prunes in Germany. The market this year, therefore, like the French market, is practically free from competition for American prunes. C.I.F. prices on the few Yugoslavian consignments have been about 25 per cent higher than on the California product. While Germany is contemplating an import duty on prunes which would increase the retail price by 15 per cent, the effect on sales would not be nearly so bad as though there were available supplies from sources other than the United States.

THE SUGAR SUPPLY OF THE UNITED STATES.

The reported appearance of small quantities of German beet sugar on the New York market is not necessarily an indication of any shortage in the usual sugar supplies of the United States. The opportunity for such imports came at the end of the season of shipments from Cuba and Porto Rico when receipts in New York were relatively light. The production of European beet sugar in 1923-24 is now estimated at 520,000 short tons greater than in 1922-23, with some increase in production in the non-European countries which usually market the greater part of their surplus in Europe. This increased European supply during the past season, with every prospect for large supplies in 1924-25, has apparently led to an experimental shipment to New York.

Continental United States usually produces about one-fourth of its supply of sugar, the remaining three-fourths coming from Cuba, Hawaii, Porto Rico, and the Philippine Islands, with small quantities from the Virgin Islands. Although the 1923-24 production in all these areas was larger than in 1922-23, the supply still available for shipment on October 1, 1924, was estimated to be only 540,000 short tons as compared with 600,000 short tons on the same date last year. Actual shipments in October and November 1923 were 457,000 short tons. It is probable therefore that end season shipments will be slightly smaller this year than last, if the same carry-over is allowed.

The shipments of sugar to Continental United States from Cuba, Hawaii, Porto Rico and the Philippines from the beginning of the season 1923-24 to September 30 were greater by 682,000 short tons than the shipments in the same period of 1922-23. In addition there was an increase in the domestic supply of 87,000 short tons and an increase of 99,000 short tons of full duty sugar chiefly from Latin American countries, making a total increased supply in the ten months of the present season over the same months of the previous season of 868,000 tons. In the ten months ending September 30, 1924 exports of refined sugar were 213,000 short tons as compared with 217,000 short tons in the ten months ending September 30, 1923. It is thus evident that there is no cause for alarm in the prospect of slightly decreased receipts of sugar in October and November this year below the same months of last year.

The average October price of Cuban raw sugar in New York was 6.0 cents as compared with the same price in September and 7.6 cents in October 1923. The lowest price for the season was 5.1 cents in June and July. It is difficult to make accurate price comparisons in sugar between European and American markets, but rough comparisons would not indicate a spread great enough to warrant extensive shipments of European sugars to this country. The shipment reported last week, however, may indicate at least a temporary resumption of a direct relationship between the world sugar markets.

The following table gives in detail the sugar situation on October 1, 1924, in Cuba, Hawaii, Philippine Islands and Porto in their relation to markets in the United States:

POSSIBLE SUGAR SUPPLY AVAILABLE TO UNITED STATES FROM CUBA AND UNITED STATES POSSESSIONS ON OCTOBER 1.

	Cuba.		Hawaii.		Philippine Islands.		Porto Rico.		Total	
	1922-23	1923-24	1922-23	1923-24	1922-23	1923-24	1922-23	1923-24	1922-23	1923-24
	1,000 Short Tons	1,000 Short Tons	1,000 Short Tons	1,000 Short Tons	1,000 Short Tons	1,000 Short Tons	1,000 Short Tons	1,000 Short Tons	1,000 Short Tons	1,000 Short Tons
Carryover at beginning of season........	Dec.8 40	16	Nov.1 46	3	Nov.1 102	67	a Jan.1 (12)	-	200	86
Production.....	4,083	4,539	537	640	475	588	379	445	5,474	6,212
Total supply	4,123	4,555	583	643	577	655	391	445	5,674	6,298
Estimated consumption for entire year...	150	150	18	18	224	224	49	49	441	441
Available for export........	3,973	4,405	565	625	353	431	342	396	5,233	5,857
Total exports from beginning of sugar campaign to September 30	b 3,489	b 3,949	c 534	c 611	284	371	c 327	c 385	4,634	5,316
Shipments to United States	3,099	3,227	534	611	249	304	327	385	4,209	4,527
Balance available for export..........	485	456	31	14	69	60	15	11	600	541
Amount received by United States from October 1 to November 30, 1923..........	410	-	28	-	4	-	15	-	457	-

a. Figure supplied to make up the balance between available supply and exports.
b. Total exports to September 27.
c. Shipments to United States only. Exports to foreign countries amounted to less than 1,000 short tons.

Compiled from Monthly Summary of Bureau of Foreign and Domestic Commerce and Official records of Bureau of Foreign and Domestic Commerce; Revista Azucarera de Himely, December 8, 1923 and September 27, 1924, Lamborn Sugar Statistical Report, February 1924.

THE CONDITION OF RUSSIAN AGRICULTURAL PRODUCTION AND TRADE - OCTOBER, 1924.

The 1924 harvest season finds the outside world still unsettled by the persistent obscurity of Russia's economic condition. Reports of serious drought, prohibitive prices and threatened hunger are current and at the same time there are stories of extensive plans for foodstuff exports. Accounts of growing disorganization of internal trade and failure of private business concerns, under the deliberate pressure of the Communistic Government, find their way through to the outside world.

At the same time the Soviet Government is sending out news of increasing activity throughout the economic field. Plans are purported to be developing for providing agriculture with large quantities of new machinery and tractors, as well as working capital credit. Larger areas of commercial crops such as cereals, cotton, hemp and flax are to be planted. Extensive experiments in sheep culture are to be carried out. Plans are announced in advance for the export of increasing quantities of eggs, butter, cereals and timber products. Port facilities, elevators, ships, docks and rolling stock are to be made ready.

Consuming countries, as well as those producing agricultural surpluses, still continue to speculate and to be upset by this uncertainty. What will Russia have to contribute to the world's stock of supplies in 1924-25? What in the way of finished goods will be purchased from the rest of the world? The profits of the American, Australian, and European farmer and also the budget of the English factory worker cannot be reckoned without Russia's account. Russia's normal productive capacity, or even her shrunken post-war production, bulks so large in the world's total that any sudden fluctuation immediately affects world markets and prices. The question of knowing in advance what part Russia will take in world commerce is perhaps as important to the outside world as her actual active participation.

In the autumn of 1923 those interested in the trends of world agriculture could see in Russia's increased farm acreage, larger agricultural exports, new foreign trade agreements and increased shipping activity, evidence of gradual recovery of the pre-war position. Observation of these and other indicators during the past twelve months lead to the belief that a general, slow improvement of Russian agriculture has continued, but that Russia's importance in this year's trade, particularly with regard to cereals, has been greatly reduced by the partial harvest failure.

In all probability grain exports during 1924-25 will be much smaller than last year. The Government's necessity for money undoubtedly will bring greater attention to the development of other exports such as eggs, butter, timber products, naphtha, and even coal. It is obvious, however, that whatever results may be gained in the field of foreign trade, agricultural development has received a serious setback by the 1924 harvest misfortune. The definite resumption of progress must wait upon another harvest.

RUSSIAN GRAIN CROPS

Russian grain production in 1924 excluding Trans-Caucasus, Turkestan and the Far Eastern Region is estimated at 46 million short tons, according to unofficial reports received by the United States Department of Agriculture quoting statements issued by the Russian Commissariat of Agriculture, October 26. There is also reported to be more than a million short tons of grain from the 1923 crop in the hands of government organizations and about 2-1/2 million short tons of last year's grain still in the possession of the peasants. This would indicate a total supply for the current season of nearly 50 million short tons. It is said that this amount is only sufficient to satisfy domestic food, seed and feed requirements, leaving an estimated surplus of less than 3 million short tons. It is perhaps significant that no estimates are made of probable exports for this season.

No separate estimates of the production of wheat and rye are available. The acreage of wheat in 1924 according to an unofficial report is 43 million acres compared with 35 million acres last year. The rye acreage for 1924 is given as 68 million acres against 66 million acres in 1923. The yield, however, according to most reports, was much less than last year, particularly in the case of wheat, and it seems likely that the surplus claimed by Economic Life is to a large extent composed of feeding grain rather than bread grains. The above information has been received since the report beginning on the following page was prepared.

Press reports indicate that collection of grain by tax and trade organs is not progressing according to plan. It is stated that because of the small domestic requirements of corn an effort is being made to collect and place the surplus of this grain on the market before the Argentine shipments will be available.

RUSSIAN GRAIN EXPORTS DOUBTFUL THIS YEAR.

An unofficial report from Riga, Latvia, carries the statement that there will be no grain available for export before the end of January, and only then if internal economic conditions warrant it. The outlook, therefore, can be pretty safely said to hold little or no prospect of Russian grain entering the international trade this year. It had originally been planned to export about 10,200,000 tons of grain. That figure has been cut under the provisional scheme to 1,350,000 tons, of which possibly none may leave the country.

RUSSIA: EXPORTS OF GRAINS, YEAR ENDING JUNE 30, 1924, AND JULY 1-OCTOBER 18, 1924.

Commodity.	Year ending June 30: 1924.	July 1-October 18, 1924.
	1,000 bushels	1,000 bushels
Wheat	23,096	424
Rye	42,471	1,877
Corn	5,246	9,351
Oats	2,730	842
Barley	19,442	1,850

Compiled from Broomhall's Corn Trade News.

RUSSIAN GRAIN PRODUCTION AND EXPORT PROSPECTS.

The combined area of winter and summer grain crops in Russia in 1924 appears to be approximately 6 per cent greater than in 1923. The increase over last year has been variously estimated during the season at from 6 per cent to 10 per cent, but the higher estimates, which came out chiefly during the spring and early summer, were doubtless too optimistic. The winter killing was heavy owing to the unusually severe weather, and the proportion of abandoned acreage reclaimed by summer planting was not known until later in the season.

The statement released by the "Gosplan" in September placed the harvest area at 6 per cent above 1923 for entire Russia but made no estimate for individual districts. The hot waves and drought which struck some sections of the country, seriously interfered with the development of the crops. From the prospect of a large surplus the country has been reduced to a possible deficit. Difference of opinion is common in the country itself regarding the advisibility of any exports whatever. Uncertainty regarding the actual amount of the harvest, the unfavorable price situation, difficulty of obtaining grain stocks from the peasants and the high costs of exports are factors which contribute to confusion in the situation.

The latest estimates of the 1924 harvest place it between 43 million short tons and 48 million short tons, 45 million short tons being the figure generally accepted as most nearly correct by the grain trade and economic writers. a/ The Finance Commissioner of the Soviet Republic, Ssokolnikow, who is recognized in Germany as one of Russia's leading economic experts, estimates the harvest at 45 million short tons. He states the noteworthy conclusion, however, that the question whether Russia's harvest is large enough to permit of export cannot properly be decided before the spring of 1925.

He takes the position that the surplus, if there is any at all, will remain uncertain until the extent of the relief necessary in the drought districts is known. Exports during this time he regards as dangerous to the welfare of the country. The Russian government is very much afraid of rising prices, which would lead to higher operating costs in its business undertakings and would tend to limit export possibilities. Any substantial grain exports during the near future would inevitably add to the upward tendency of grain prices and are therefore discouraged.

Ssokolnikow points out that the chief function of the government grain reserves which are on hand or may be obtained, is to equalize prices and to prevent if possible a further rise. A disorganization of the country's grain market would have a serious effect upon the entire economic structure.

a/ Since the preparation of this report unofficial statements have been received quoting an estimate by the Russian Commissariat of Agriculture of 46 million short tons harvested for the 1924 crop. See statement on page 489.

RUSSIAN GRAIN PRODUCTION AND EXPORT PROSPECTS,-CONT'D.

Consequently, the government has been following the policy of buying up grain and sending it into the deficit territories for seed purposes and food. It is carrying on this work through the agency of its two organizations, "Chleboprodukt" and "Zentrossojus". Reports from the regions of crop shortage indicate that these measures are having the desired effect of reviving the confidence of the peasants. The panic which was threatening some sections, such as the Volga regions, has apparently been averted and the peasants are putting the land in shape for fall sowing.

The views of Finance Minister Ssokolnikow are not universally held by the Soviet officials. Rykow, Lenin's successor as chief of the People's Commissariat, predicted late in August that grain would be exported from this year's crop not to exceed a million short tons. It is probable that the government will make strenuous efforts to export grain. Some of the practically minded people of Russia are evidently fearful of this policy.

Even the most optimistic officials, however, admit that profitable exports are out of the question with the present high grain prices. Export expenses are high. Krassin, the head of the foreign trade monopoly, estimates that export expenses indluding transportation during 1923-24 amounted to more than 60 cents per bushel. Last year domestic prices of grain were very low and exports for that reason were profitable. This year, however, rye and wheat on the local markets are practically double the 1923 price. The "Gosplan" gives the following table for prices in South Russia and export regions:

Crop.	August 1st.			September 1st.		
	1923	1924	% of 1923.	1923	1924	% of 1923.
Rye (dollars per bushel, 56 lbs.)	.39	.80	205	.36	.70	195
Wheat (dollars per bushel, 60 lbs.)....	.79	1.41	180	.62	1.30	210

This shows that a reduction was possible during the month of August. A later report indicates a further reduction during the first half of September of 7.9 per cent for rye and 8.2 per cent for wheat. The "Gosplan" is hopeful that the pressure of fall taxation will cause larger marketings and will keep the tendency downward, although it is certain that grain prices will remain above normal. The peasants continue to sell their livestock and to hoard grain.

RUSSIAN GRAIN PRODUCTION AND EXPORT PROSPECTS,-CONT'D.

The government, which still has complete monopoly of grain exports, realizes that the 1923 prices for grain were abnormally low. This resulted in a bad relation between agricultural and industrial prices which brought trade with the farmers practically to a standstill. This year an increase of 40 to 50 per cent in grain prices was reckoned upon and would have made exports possible, at the same time putting the peasants in better condition. The present prices, however, are too high for export.

Providing that domestic prices for Russian grain can be reduced far enough or that world prices advance sufficiently to make exports profitable, the government will have the problem of determining what the actual grain balance is. Reckoning the harvest at 45 million short tons the surplus can only be very small. Using the harvest estimate of 45 million short tons and the consumptive requirements reckoned by the Central Statistical Office the following balance is arrived at:

DISTRIBUTION OF 1924 RUSSIAN GRAIN CROP a/

(In Millions of Short tons)

Harvest			45.1
Requirements of country population:			
For seed	10.0		
For food	23.8		
For feeding	5.8		
Total		39.6	
Requirements for city population		4.9	
Requirements for army supply and exports to Turkestan & Transcaucasia		.8	
Total requirements			45.3
Estimated deficit			.2
Estimated carryover from 1923			2.9
Remainder for exports and reserves			2.7

The Soviet Government has stated that with the necessary price adjustments it will be possible to export from 1 to 2 million short tons during 1924-1925. It is not, however, attempting to make a fixed export plan until the local grain market situation becomes clearer.

The conclusion which one finally comes to after considering the available reports coming out of Russia during the progress of the season, and after analyzing the statements and opinions of Russian agriculturists and men connected with the European grain trade, can be summarized as follows:

a/ Unofficial statements have been received, since this report was prepared, quoting figures put out by the Commissariat of Agriculture which differ somewhat from these in the details, but find about the same amount possibly available for export. see page 489.

RUSSIAN GRAIN PRODUCTION AND EXPORT PROSPECTS,-CONT'D.

The area in Russia sown to grain crops in 1924 increased between 6 and 7 per cent over 1923; the grain harvest in 1924 approximates between 45 million and 47 million short tons - a decrease of 4 to 5 million short tons as compared to 1923; the Russian grain exports for the year will not exceed 1 to 2 million short tons and must, because of present high prices and uncertainty of internal conditions, come upon the market in gradual quantities or late in the year; the poor harvest in Poland will undoubtedly cause that country to absorb a large share of what Russia may be able to spare. It is too early to gain an idea of plans for 1925 but it is evident that the Soviet Government is making all possible provisions for next year's planting.

SUPPLEMENTARY STATEMENT REGARDING GRAIN SITUATION.

(Based upon translations from "Economic Life" and statements by Prof. Brutzkus, Berlin).

The following statements have been received in Berlin since the first of October and were published at the close of the Russian Economic year, September 30th. Some statistics in addition to those in the preceding pages are given but the conclusions are essentially the same.

The following table was given out by the head of the Central Statistical Office at Moscow:

District	Rural Population. (in Thousands).	Acreage in 1,000 acres. 1924.	Acreage: % increase over 1923	Gross Harvest in million Short Tons. 1923	1924	% change over 1923.
Consuming Zone.......	24,294	25,612	+2	7	8	+22
Producing Zone	37,804	70,578	+9	17	16	-9
South-East Russia....	6,436	13,558	+6	5	4	-24
Kirgisia & Siberia...	10,188	17,046	+7	4	5	+28
Ukraine..............	21,905	45,900	+7	18	13	-24
Total S. S. S. R.	100,627	172,694	+7	51	46	-9

The total harvest reckoned upon by the Central Statistical Office is slightly higher than the estimate taken in the preceding pages. The grain balance is estimated as follows:

	Million Short Tons.
Gross Harvest from farms	46.3
Harvest from State & City Domains	0.9
Total 1924 Harvest	47.2
Total needs of the country	45.4
Surplus	1.8

RUSSIAN GRAIN PRODUCTION AND EXPORT PROSPECTS,-CONT'D.

The Central Statistical Office estimates that, taking into account the stocks remaining from last year, from 1 to 2 million short tons may be spared from this surplus. Unless the grain prices are reduced, however, exports are impossible. During the first three weeks of September the government purchasing organizations and the cooperatives together were able to purchase only about 343,072 short tons of grain, or about one third of the amount necessary to satisfy their committments. It is evident that it will be very difficult to assemble quantities sufficient to export.

The following table taken from the "Economic Life" was recently published by the Central Statistical Office:

PROPORTION OF POPULATION AND CULTIVATED AREA AFFECTED BY SHORT HARVEST.

Governments.	Number of Districts.	Population (in 1,000).	Cultivated Area (1,000 acres)	Net Yield per Capita. a
Samara	2	658	1,233	4.4
Saratow	5	1,072	2,590	0.1
German Republic	all	476	1,534	0
Zarizyn	all	1,033	3,141	0
Astrachan	all	259	236	0
Voronesh	3	905	1,398	2.4
Don	3	632	1,798	3.5
Stavropol	8	481	1,472	0
Tersk	all	426	1,250	7.3
Kabarda	all	181	270	5.9
Kalmyken Region	all	186	122	0
Uralsk	all	314	375	3.3
Charkow	2	988	1,692	3.4
Total		7,611	17,111	1.0

a Unit not stated. Believed to be puds of 36.1 pounds.

RUSSIAN SUGAR SITUATION.

According to estimates published during the first five days of October by the Russian Sugar Trust, Russia will need to draw upon the world supply of sugar somewhat more in the next twelve months than during the last year. The final statistics for 1923 given out by the Sugar Trust State the consumption at 442,000 short tons or about 8.8 pounds per capita (compared to 26 to 30 pounds pre-war) and domestic production of 415,700 short tons. The deficit of 27,000 short tons was further increased by exports, during the early part of the year, into Asiatic markets. Russia is still making up this shortage by purchases from the world market.

RUSSIAN SUGAR SITUATION,-CONT'D.

Coming to the 1924-25 situation, the Sugar Trust predicts a beet harvest yielding approximately 507,000 short tons of sugar but at the same time reckons upon a demand of about 569,000 tons, an increase over 1923 of 90,000 short tons. The repressed "sugar hunger" since the war years is expected to result in this much increase. The production estimate of 507,000 tons is divided as follows: factories of the Sugar Trust, 471,000 tons and farm sugar plants 36,000 tons. In addition to this production the estimated stocks in the country on October 1st are 33,000 tons. From this it appears that there will be a demand in Russia for at least 36,000 to 54,000 tons during the next year. The Sugar Trust predicts the imports as high as 108,000 tons including the amount necessary for re-export. It is doubtful, however, whether this prediction can be fulfilled with the prospect of short agricultural exports.

RUSSIAN TRADE WITH EGYPT INCREASING.

According to information received from Raymond H. Geist, Vice-Consul at Alexandria, under date of October 2, 1924, total imports into Egypt from Russia during the seven months ending July 31, 1924, were valued at $2,241,000 as compared with $1,434,000 during the same period of 1923, or an increase of 56 per cent. Russia supplied 92,000 bushels of wheat valued at $101,000, or more than half the total wheat imports. During the same period of 1923, no wheat was received from that country. Australia, which heretofore had been Egypt's principal source of imports, fell to second place and contributed only 70,000 bushels.

Comparative prices for the wheat reaching the Egyptian market from the various countries were as follows: British India, $43.20 per ton; Australia, $48.60 per ton; Russia, $40.50 per ton.

Leaf tobacco imported from Russia during this period was valued at $520,000 as against $459,000 the preceding year.

THE RUSSIAN TEXTILE INDUSTRY AND FIBRE PRODUCTION.

Only very meagre data are available at the present time regarding either the area planted to cotton in Russia during 1924 or the amount of the harvest. According to "Economic Life" for September 26th the cotton Organization of Turkestan, "Turkchlopok", estimates a yield of 867,000 bales of 500 pounds of raw cotton. The condition of the crop is said to be satisfactory in all districts except Samarkand and Syr-Dorja. a/ The yield per acre is estimated at from 535 to 602 pounds of raw cotton. The price for raw cotton has been set for the year by the Russian Work and Counsel Commissariat (S.T.O.) 7.4 cents per pound.

The textile industry, like the grain business is entirely in the hands of the government. The Soviet Government, in reports received by the "Ost-Express" in Berlin during the last part of September, claims improvement in cotton and woolen manufacturing for the year just closed and states plans for further expansion during 1924-25. According to these reports the production of textiles during the past year amounted to: cotton goods 237 million dollars, linen goods 29 million, fine woolen manufactures 45 millions and coarse wool nearly 17 million; a total of about 329 million dollars. It is reported that the industry used 524,000 bales of cotton of which 325,000 bales were imported. It is indicated that a continuation of the pace set during the past three months would entail a consumption of 686,000 bales during the next year.

Wool manufacture is next in importance to cotton in the textile industry. The use of wool during the past year is reported as: coarse wool 25,044,000 pounds, medium 7,350,000 pounds and merino wool 10,591,000 pounds. The program announced for 1924-25 calls for 28,890,000 pounds of coarse wool, 9,028,000 pounds of medium and 11,737,000 of merino wool. It is stated that the majority of the fine wool will have to be imported from Australia but that native production of coarse and medium wools will practically fill the demand.

A campaign is being undertaken by the Siberian Agricultural Trust to increase the production of fine-wool sheep in Siberia. In 1901 a cross-breed of Southern Merino and Northern dual-purpose sheep was tried successfully and the numbers increased until at the time of the revolution in 1916 there were 165,000 in Siberia. Large scale sheep production, being of a capitalistic nature, was destroyed by the Socialistic Revolution and the number of fine-wool sheep in Siberia was reduced to a few thousand.

The project of the Siberian Agricultural Organization plans to increase the numbers gradually during a ten year period to 250,000. The experiment of crossing the Far Eastern block-head sheep with the present strain is being tried for the purpose of obtaining more ruggedness. The Organization has requested a capital of a million dollars from the government to back the plan but thus far there has been no action. The project is criticized by some

a/ According to later cabled reports some damage has been sustained from frosts in October.

on the ground that the rough winter climate of Siberia and the long stable feeding period will make the production of fine-wool sheep unprofitable.

It is apparent that the progress of textile manufacturing is being held back by the same forces which handicap other industries in Russia. Capital is very short and high operating costs, chiefly because of inefficient organization, prevent profit and expansion. The purchase abroad of raw materials such as cotton and wool is expected to be further restricted by the stopping of exports for exports are Russia's only source of foreign purchasing power. There was a slight import balance in August for the first time in several months owing to the decreased grain exports, and the present situation does not point to an improved credit balance abroad. Perhaps the most important factor of all is the low purchasing ability of the agricultural population. The bad relation between farm and industrial prices has, until the recent rise in grain prices, destroyed the bulk of domestic market.

RUSSIAN FOREIGN TRADE IN 1923-24

According to statistics obtained in Moscow by the Danish Legation in that city, the shipments of grain and feedstuffs from the interior of Russia to seaports during the year ending July 31, 1924, amounted to 3,490,000 short tons, which on the basis of the rye equivalent would amount to 140,000,000 bushels. The report further states that actual exports were carried in 450 steamers from Black Sea ports and 265 steamers from Northern ports, aggregating 2,692,713 tons. Assuming that this statement is expressed in either long or metric tons, it would be equivalent of about 3,000,000 short tons as the total quantity of grain and feedstuffs exported. Commercial figures published elsewhere in this issue account for exports of 93,000,000 or 2,320,000 short tons of the five chief cereals. Exports of minor cereals and oil cake would probably bring the total up at least to 2,500,000 tons, so that it appears safe to place the total Russian exports of grains and feedstuffs for 1923-24 at between 2,500,000 and 3,000,000 short tons.

The value of Russian grain and feedstuff exports is placed at the equivalent of $123,500,000, which is said to be 70 per cent of the value of all exports from Russia during this period. Another report purporting to come from the same source gives the value of all Russian exports for 1923-24 at the equivalent of $231,500,000, of which $113,000,000 came under the head of grain and feedstuffs. Other items were lumber $29,000,000, naphtha $20,500,000, flax and hemp $10,000,000. The revised export plan for 1924-25 is said to contemplate grain exports amounting to $60,000,000, lumber $39,000,000 to $46,000,000, naphtha $36,000,000, and flax and hemp $20,000,000.

Of the Russian grain exports in 1923-24, about 750,000 tons are reported as going to Germany, 680 tons to the Netherlands, 300,000 tons to Denmark, and 240,000 tons to France.

AGRICULTURAL COOPERATION IN RUSSIA.

By Prof. Brutzkus, Berlin.

The Cooperatives under the Old Government System

As early as the beginning of the sixties, at the time when Raiffeisen had worked out the plan for a typical rural credit bank in Germany, representatives of the people were trying their utmost to introduce cooperative banks into Russia. The Russian rural communities continued to work with this aim in view during the seventies. All of these endeavors, however, ended in failure. The Russian peasant agriculture at that time was not on a commercial basis. The change to commercial farming came only very slowly and gradually as the result of general economic development and not through the founding of credit banks. Also, the education level of the Russian peasantry was too low to permit the development of cooperation. The political reaction which set in with the assassination of Tsar Alexander II put a stop to any kind of self activity on the part of the masses, thus making the outlook for the cooperatives still more unfavorable.

A change took place in the middle of the nineties. A large section of the Russian peasantry had been drawn over into commercial farming and they needed to sell and to buy. School education had made progress and the educational level of the Russian peasant had become considerably higher. To the highly gifted and farsighted Russian Minister of Finance, Witte, it was perfectly clear that the national progress depended largely upon the level of its peasant agriculture. By means of the law which he enforced in the year 1895 he did away with many bureaucratic impediments which stood in the way of cooperative development. He established an organization of inspectors of small credits at the State Bank, whose duty it was to watch over and help the development of rural credit banks. The State Bank granted long-term loans as basic capital for the establishment of credit banks. From the year 1895 a gradual development of Russian agricultural cooperation is to be noted.

The Russian cooperative movement, however, received its greatest stimulus from the events occurring in the years 1905-6. The spirit of the people had awakened, and, after the general failure of the Revolution, the progressive elements of the Russian peasantry turned to the cooperative movement in which they were supported by progressive education. The government, which was alarmed by the revolutionary events, gave more attention to the development of peasant farming and for this purpose took the cooperatives into its service. The cooperatives were granted a national credit equivalent to about $60,000,000. The way was cleared for the free development of the cooperatives and with the year 1905 an extremely rapid progress set in.

The world war at first increased the importance of the agricultural cooperatives. The government needed foodstuffs and raw material and used the cooperatives as collecting agents. This explained why the government had to give up completely its control over the cooperatives. Before the war

AGRICULTURAL COOPERATION IN RUSSIA, Cont'd.

The Cooperatives under the Old Government System, Cont'd.

the government was very reluctant to allow central organizations with financial functions of the cooperatives to be founded, because it wanted the cooperatives to remain dependent upon the State Bank. Now, however, the government withdrew these restrictions and the cooperatives were at last during the years 1914 to 1917 able to develop their central organizations.

Before the outbreak of the revolution the network of cooperatives showed a very considerable development. We give the following figures of established cooperatives on January 1, 1917:

Cooperative Credit Banks	16,000
Milk and Cheese Cooperatives	3,000
Agricultural Cooperatives	2,500
Agricultural Organizations	6,000
Total	27,500

Thirteen and one half million or two-thirds of all the peasant farms in Russia were members of these organizations. These 27,500 cooperatives were united in 500 provincial federations. Besides these there were also a number of special central organizations for the whole country, of which the most important were:

1. The Central Association of Dairy Cooperatives in Siberia.
2. The Central Federation of Flax Growers, united 50 associations with 3,671 cooperatives, having one and a half million peasant farms as members and collected in the year 1918-19 90,000,000 pounds of flax.
3. The Central Federation of Hemp Growers, made up of 36 associations.
4. The Central Federation of Grain Cooperatives, representing 36 associations which in the year 1918-19 collected 15,000,000 bushels of grain and was in possession of 712 elevators with a capacity of 23,000,000 bushels.
5. The Potato Federation.
6. The Fruit and Vegetable Federation.

The whole cooperative movement was unified in its credit structure by the Central Cooperative Bank at Moscow.

Before the war, the Russian cooperative movement operated with a capital equivalent to about $500,000,000. The savings of the people made up the largest part of this sum, this fact showing the great confidence of the people in the cooperative movement. The cooperatives themselves had also acquired large capital of their own and owned houses, dairies, factories and establishments of all kinds.

AGRICULTURAL COOPERATION IN RUSSIA, Cont'd.

The Cooperatives under the Old Government System, Cont'd.

The Russian cooperative movement was on the whole led by the intellectual element and by the government. Nevertheless, the cooperative idea found wide-spread understanding among large sections of the people. Especially the well-to-do peasant population of the Russian border countries, of the Steppe Regions, Siberia and also the quite highly developed peasant population of the central industrial region, had a good knowledge of cooperative management.

Cooperatives under the Policy of the Communist Government

Not only the February but also the October revolution in 1917 was at first favorable for cooperative development and even for a short time after the October revolution, the progress of the cooperatives continued. However, the movement towards nationalization which set in with the October revolution soon spread to the cooperatives. The managing committees of the workers and peasant council, as well as other governmental organs believed themselves authorized to take over the property of the cooperatives explaining their action with the excuse of nationalization. Although the entral communistic government did not refuse the cooperatives its protection, it was not always able to protect their interests.

Still worse for the cooperatives were the consequences of the rapidly increasing inflation, which the Soviet Government is thought to have intensified deliberately until money was practically valueless. This destroyed the capital of the cooperatives; especially the credit cooperatives lost all possibility of existence under the conditions of the inflation torrent.

But worst of all for the cooperatives was the policy of the Soviets directed toward the unification of all economic organizations under the central governments. The cooperatives could, therefore, only remain as dependent organs of the State. This policy was soon made effective and the cooperatives became the distributive apparatus of the Communist Government. Voluntary membership was abolished and all citizens according to their place of residence were registered at one of the cooperative associations. Such a machinery for distribution, although retaining its old name, had nothing in common with the spirit and theory of cooperation.

The agricultural cooperatives were also to be turned into organizations to collect agricultural products and to manufacture goods from them, not however for free sale on the open market, but on account of the state. According to communist principles these goods should be handed over to the free of charge.

AGRICULTURAL COOPERATION IN RUSSIA, Cont'd.

Cooperatives under the Policy of the Communist Government, Cont'd.

The result of this communistic policy was that the peasants retained no further interest in production for the market and returned to purely non-commercial type of farming. At the end of two years practically no surplus of agricultural products remained and the cooperatives lost their field of action. The fate of the agricultural cooperatives was finally sealed by the law of January 27, 1920, according to which the agricultural cooperatives were made subsidiary to the commercial cooperatives. Credit cooperatives were done away with altogether, because they had no place in a communistic state which was endeavoring to abolish the use of money.

The Russian Cooperatives under the New Economic Policy

On March 21, 1921, Lenin abandoned the orthodox communist policy. After payment of a general tax in kind, the peasant was allowed to do what he liked with the rest of his production. Private trade was again permitted with restrictions. An attempt was to work out a compromise between a communist and a competitive economy.

According to this policy the government had to permit the reorganization of the agricultural cooperatives, which it did in a decree issued on August 21, 1921. This date marks the beginning of a revival of agricultural cooperatives.

The cooperatives, however, are not free and independent of the government to the same degree as before the revolution. As there are no private banks the cooperatives must go to the state bank for credit, and also only from the state can they obtain industrial products which remain absolutely nationalized. Moreover the government maintained much closer supervision of the activities of the associations than was maintained by the government before the Revolution.

Besides these difficulties, which are due to the general political atmosphere, there are many other impediments in the way of agricultural cooperative development. The Russian peasant agriculture has, owing to the revolution and civil war, become very poor and non-commercial. It has only very few products for sale in comparison to pre-war times and can therefore make only very moderated purchases. Prof. Oganowski estimated the total turnover of agricultural products of the old Russian territory before the war at the equivalent of $2,300,000,000, and for the year 1922-23 for the present Russian territory it is only estimated at $400,000,000, a

a Prof. Oganowski and Prof. Kondratjeff "The Prospective Development of Russian Agriculture," published by the People's Commission of Agriculture.

AGRICULTURAL COOPERATION IN RUSSIA, Cont'd.

The Russian Cooperatives under the New Economic Policy, Cont'd.

Also the impoverished peasantry is not in the position to supply the cooperatives with savings. The progressive depreciation of the currency system lasted until 1924 and caused the cooperatives much trouble. Last of all, the greatest difficulty which the cooperatives have to contend with, is the distrust of the peasants toward the Soviet Government, which is partly due to the control still retained by the state, and to the fact that the property which formerly belonged to the agricultural cooperatives has not all been returned by the commercial cooperatives who hold a privileged position in the State.

In spite of these abnormal working conditions, it may be noted that some progress has been made in the revival of the cooperatives themselves and also the healthy cooperative spirit. In spite of the bitterness often caused by the compromises which have to be made with the communists, many of the old leaders in cooperation are again taking up the work with renewed energy. As the communists have no experience in this kind of work they are forced to trust the work to older cooperative members. During the time of the pre-revolutionary government, the government and the progressive educationalists strove toward the construction of a wide network of local cooperatives; the development of the central organizations was only allowed during the war. Now, however, the rebuilding is starting at the top and the revived Central Associations are endeavoring to establish themselves a firm basis by promoting the growth of the smaller cooperatives. Many Central Organizations have still a very weak foundation, thus making their position very unstable. Their activities, which are not governed by the large number of members belonging to the local cooperatives, sometimes attain a speculative character or that of a commercial business concern, which cannot be brought into harmony with the spirit of cooperation.

In January, 1924, the following figures of Russian agricultural cooperatives were given:

	Number of Agricultural Cooperatives	Number of Members	Number of Associations
R.S.F.S.R.	27,250	1,511,560	305
	5,651	269,357	65
Total	32,901	1,780,917	370

The total number of cooperatives is now even greater than before the revolution, but of these, peasant agriculture constitutes only 10 per cent. It must be further considered that most of the cooperatives are still only very loose associations, many of which were only established for the purpose of obtaining seed from the government in the year 1922.

AGRICULTURAL COOPERATION IN RUSSIA, Cont'd.

The Russian Cooperatives under the New Economic Policy, Cont'd.

The agricultural cooperatives of the R.S.F.S.R. were classified as follows:

Kind of Association	Associations		Members	
	Number	Per Cent	Number	Per Cent
Universal Agricultural Cooperatives	7,620	28.0	441,200	22.2
Universal Agricultural Cooperatives with credit functions	2,580	9.5	286,430	18.9
Credit Cooperatives	1,150	4.2	164,630	10.9
Collecting Cooperatives	9,380	31.4	98,230	6.9
Cooperatives for owning machinery	1,620	5.9	43,380	2.9
Cheese and Dairy Cooperatives	2,600	9.5	241,800	16.0
Other Selling Cooperatives	1,320	4.9	193,270	12.8
Forestration and Industrial Cooperatives in Agr. Associations	980	3.6	42,620	2.8
Total	27,250	100.0	1,511,560	100.0

Owing to the destruction of the currency the credit cooperatives have lost their old importance, but the cooperatives on the whole have attained a more universal character. The selling cooperatives which are connected with the manufacture of goods from farm products, such as those from dairy products, have developed the best. The collecting cooperatives were established during the first years of communist policy and should hardly be classed with the voluntary cooperatives.

The total turnover of goods by the agricultural cooperatives of Russia during the year 1923 is estimated at over $60,000,000, of which sum about two-thirds were sales and one-third purchases. The agricultural cooperatives handled about 10 per cent of the total exchange of goods for the Russian peasantry.

The turnover capital of the Russian cooperatives is made up almost entirely of governmental credits, their own capital being very small as the peasants will not yet trust the cooperatives with their savings. The export organizations such as the Flax Central have been able to obtain foreign credits.

Most of the agricultural cooperatives of the R.S.F.S.R. are united in the Central Union of Cooperatives, besides this there are special Centrals for flax growers, for butter, for potato products and others.

BUTTER PRICES IN LONDON, COPENHAGEN, AND NEW YORK

(By Cable)

Market and butter	October 23, 1924	October 30, 1924	November 6, 1924
	Cents per lb.	Cents per lb.	Cents per lb.
Copenhagen, Official Quotation	46 1/2	45 3/4	43
New York, 92 score	37 1/2	40 1/2	41
London:			
Danish	48 3/4	48	45 1/4
Dutch, unsalted	48	47 1/2	46
Irish	44	44	42
Irish, unsalted	45 1/2	45 1/4	45 3/4
New Zealand	45 1/2	45 1/4	44 1/4
Australian	42 3/4	40 3/4	40
Canadian	41	39 1/4	39 1/4
Canadian, unsalted	42 3/4	41	41
Argentine, unsalted	42 3/4	41 1/4	40 1/4
Siberian	33 - 37 1/2	33 1/4-37 1/4	32 3/4
American	40 1/4	37 1/4	36 3/4
American, unsalted	41 3/4	40	38

Quotations converted at exchange of the day.

GERMAN HOG AND FAT MARKETS
(By Cable)

Items	Unit	Week ending October 22	October 29	November 5
Receipts of hogs, 14 markets.	Number	45,130	51,423	48,382
Prices of hogs, Berlin	$per 100 lbs.	17.99	16.69	16.75
Prices of lard, tcs., Hamburg .	"	19.76	19.23	18.42
Price of margarine, Berlin ..	"	13.29	13.29	13.29

PRICES OF AMERICAN APPLES IN BRITISH MARKETS
(Week ending November 8, 1924)

Variety and grade	Origin	Market	Week ending Nov. 1, 1924.	Week ending Nov. 8, 1924
			Per barrel	Per barrel
York Imperials				
All grades	Virginia	London	$4.75 - $5.65	$5.49 - $6.40
" "	"	Liverpool	4.98 - 6.12	5.03 - 5.95
Jonathans				
All grades	"	"	4.53 - 6.12	5.03 - 6.17
Yellow Newtowns				
All grades	"	"	4.53 - 6.34	4.80 - 5.72
Ben Davis				
All grades	"	"	4.53 - 6.34	4.80 - 5.72
Winesaps				
All grades	"	"	4.08 - 5.66	4.12 - 5.72
			Per box	Per box
Jonathans				
Extra fancy	Oregon	London	2.71 - 2.94	.... - ....
" "	"	Liverpool	2.72 - 3.11	.... - .....
" "	Washington	London	.... -	2.97 - 3.43
" "	"	Liverpool	2.72 - 3.11	.... - ....
Fancy	Oregon	London	2.38 - 2.71	.... - ....
"	"	Liverpool	2.38 - 2.94	2.52 - 2.97
"	Washington		2.38 - 2.94	.... - ....
"	"	London	.... -	2.74 - 2.97
C grade..........	Oregon	London	2.15 - 2.38	.... - ....
"	Washington	Liverpool	2.04 - 2.49	.... - ....
"	Oregon	"	2.04 - 2.49	1.83 - 2.29
"	Washington	London	.... -	2.52 - 2.74
Yellow Newtowns				
Extra fancy	Oregon	"	.... -	2.52 - 3.03
Fancy	"	Liverpool	.... -	2.52 - 3.03
C grade	"	"	.... -	2.52 - 2.97
All grades	California	"	1.93 - 2.27	1.83 - 2.29
" "	Oregon	London	2.15 - 2.94	2.52 - 3.43
" "	Washington	Liverpool	2.27 - 3.00	.... - ....
Delicious				
Fancy	Oregon	"	.... -	2.86 - 3.20
C grade	"	"	.... -	1.83 - 2.29
All grades	Washington	"	2.83 - 3.17	.... - ....
Grimes Golden				
All grades	Oregon	"	1.81 - 2.15	.... - ....
Spitzenburgs				
Fancy	"	"	.... -	2.52 - 2.97
C grade	"	"	.... -	1.83 - 2.29
All grades	"	London	2.83 - 3.17	.... - ....
Winesaps				
Fancy	"	Liverpool	.... -	2.52 - 2.97
C grade	"	"	.... -	1.83 - 2.29

NUMBER OF LIVESTOCK IN DENMARK JULY 15, 1914, 1923 AND 1924.

(Present Boundaries).

Livestock	July 15, 1914 (estimated)	July 15, 1923	July 15, 1924
Cattle, total	2,718,000	2,523,000	2,666,000
(Milk cows and heifers)	(1,416,000	(1,339,000	(1,368,000)
(young heifers)	-	(400,000)	(498,000)
Swine	2,715,000	2,855,000	2,862,000
Sheep	533,000	374,000	302,000
Goats	44,000	42,000	29,000
Horses	605,000	562,000	548,000

Statistiske Efterretninger, October 11, 1924, and September 5, 1924.

Index